

Salina Economic Development Incentives Council Minutes

March 1, 2006

3:00 p.m.

Members present: Mayor Deborah Divine (presiding officer), Saline County Chair Mike White, Larry Britegam, John Divine, Randy Hassler, Ross Hoffines, and Sheldon Walle.

Others present: City of Salina staff members Jason Gage, Greg Bengtson, and Lieu Ann Elsey; Salina Chamber of Commerce staff members Gerald Cook, Dave Bossemeyer, and Maureen Toll, and Salina Airport Authority staff member Tim Rogers.

1. Call to Order and Roll Call

Mayor Divine called the meeting to order and roll call was taken.

2. Introduction of Council members.

Each member of the council gave a brief introduction.

3. Council Orientation

- a. Review of enabling Resolution No. 05-6220 and council responsibilities.**
- b. Role of staff.**
- c. Kansas Open Meetings Requirements/Executive Sessions**
- d. Special Sales Tax – 12.5% Economic Development Portion Financial Overview**
- e. Economic Development Concepts, Types of Incentives, and Local Program Overview**
- f. Local Economic Development Activity Update.**

Mr. Gage outlined the resolution and responsibilities of the council, staff's role, open meeting requirements, and uses of executive sessions. Also, Mr. Gage gave a brief financial overview of the current sales tax cash balance and current obligations.

Mr. Gage then discussed different economic development concepts and incentives, which included tax abatements, the Enterprise Zone, property tax exemptions, special development areas, and building permit rebates.

Mr. Gage and Mr. Cook then responded to Mayor Divine's question regarding how businesses learn about the economic development incentives. Mayor Divine then suggested that these applications be placed on the city's website.

A discussion followed between the council, Mr. Gage, Mr. Cook, and Mr. Rogers regarding the building permit incentives, the city and county tax exemption policies, and other incentives that surrounding communities are using.

4. Action Items

a. Request for Training Funding for Kansas Army National Guard's Kansas Readiness Sustainment Maintenance Site (KRSMS)

Mr. Gage explained the project, request, and staff's recommendation.

A discussion followed between Mr. Divine, Mr. Cook, Ms. Toll, and Mr. Rogers regarding fund matching, funding for training, and allocation of local and federal funding.

Mr. Rogers then responded to Mayor Divine and Mr. Walle's questions pertaining to the Airport Authority's investment into the facility and life span of the project. Mr. Rogers and Mr. Cook also responded to Mr. Hoffines' question regarding usage of local vendors and subcontracting.

Additional discussions followed between Council and Mr. Rogers, Mr. Cook, Mr. Bossemeyer, and Ms. Toll regarding the number of new jobs created, the salaries impact on the market, impact on population growth, and job training.

MOTION: Moved by Council Member Britegam, seconded by Council Member Hassler, to recommend to the City Commission approval of the request to provide a training funding match to the Kansas Army National Guard for their Kansas Readiness Sustainment Maintenance Site in the amount not to exceed \$1,000 per job, with a total obligation not to exceed \$50,000.

Mayor Divine asked if there should be review requirements included.

Mr. Hoffines clarified that this was a one-time request.

Mayor Divine noted that she felt that the request works well with the intent of the funding initiatives.

Mayor Divine called the question. Aye: (7). Nay: (0). Motion carried.

b. Request for Grant and Endowment Funding for Stadiums Turf Project Fund.

Mr. Gage explained the project, request, and staff's recommendation. Mr. Gage then responded to Mayor Divine's question regarding alternative funding for the project.

Barry Weis, applicant, commented on the request, current and future revenues that could be generated, and the project's current debt balance.

Mayor Divine commented that she felt that it was a well worth while project; however the request did not fall within the intent on how the 12.5% of the sales tax revenue was to be used.

Mr. Britegam expressed that the project was a great community effort, but also felt that the request did not fall within the guidelines and hoped to see that alternate funding sources be used.

Dr. Hassler suggested that the motion include a recommendation that the City Commission seek other available funding sources.

MOTION: Moved by Council Member J. Divine, seconded by Council Member Hassler, to recommend to the City Commission to deny the request to provide grant and endowment funding to the Stadiums Turf Committee in the amount of \$50,000 and recommend that the Salina City Commission look at alternative funding to help with the project. Aye: (7). Nay: (0). Motion carried.

5. Determine Future Meeting Schedule

The Council determined that regular meetings be conducted on the first Wednesday of March, June, September and December.

Mr. Cook noted that the council may need to meet between regular meetings depending on the submittal of applications.

6. Other Business

The Council discussed possible future resources that may aid in entrepreneur development within the community, placing items on the agenda, and staff's role.

Mr. White then expressed concerns of the current membership the council, noting that Mayor Divine and John Divine serving on the same committee. Mayor Divine responded to Mr. White's concerns noting that she will no longer be a member of the council after the appointment of the new Mayor in April. Mayor Divine also noted her concerns of the lack of female representation on the council.

7. Adjournment.

The meeting was adjourned at 4:13 p.m.